

**Introduced by Senator Dunn**

February 21, 2003

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An act to add Division 21 (commencing with Section 60000) to the Financial Code, relating to community reinvestment.

LEGISLATIVE COUNSEL'S DIGEST

SB 901, as introduced, Dunn. Community reinvestment.

Existing law provides for the regulation of various financial institutions by the Commissioner of Financial Institutions, including banks and credit unions. Existing federal law, the Community Reinvestment Act, encourages certain depository institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods, consistent with safe and sound banking operations. The act requires that those depository institutions' records be evaluated periodically in order to help meet the credit needs of the entire community in which they operate.

This bill would enact the California Community Reinvestment Act that would require the commissioner to evaluate and rate an institution's lending performance pursuant to certain standards. The bill would require these institutions, including state banks and credit unions, to make information in their public files available to the public for inspection upon request and at no cost. The bill would also require these institutions to provide specific notices in their main offices and branch offices. The bill would enact various related provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Division 21 (commencing with Section 60000) is added to the Financial Code, to read:

DIVISION 21. COMMUNITY REINVESTMENT

CHAPTER 1. GENERAL PROVISIONS

60000. This division shall be known and may be cited as the California Community Reinvestment Act.

60001. It is the intent of the Legislature to establish criteria for the Commissioner of Financial Institutions to assess a financial institution's record of helping to meet the credit needs of the entire community it serves, including low- and moderate-income neighborhoods, consistent with the safe and sound operation of the institution.

60002. The provisions of this division shall apply to all institutions, as defined in subdivision (p) of Section 60003.

60003. For the purposes of this division, the following definitions apply:

(a) "Affiliate" means any company that controls, is controlled by, or is under common control with another company.

(b) "Control" has the meaning given to that term in Section 1841(a)(2) of Title 12 of the United States Code, and a company is under common control with another company if both companies are directly or indirectly controlled by the same company.

(c) "Area median income" means one of the following:

(1) The median family income for the MSA, if a person or geography is located in an MSA.

(2) The statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

(d) "Automated teller machine" (ATM), means an automated, unstaffed banking facility owned or operated by, or operated exclusively for, the institution at which deposits are received, cash dispersed, or money lent.

(e) "Branch" means a staffed banking facility established or acquired as a branch under California law.

(f) “CMSA” means a consolidated metropolitan statistical area as defined by the Commissioner of Financial Institutions.

(g) “Commissioner” means the Commissioner of Financial Institutions.

(h) “Community development” means any of the following:

(1) Affordable housing, including multifamily rental housing, for low- and moderate-income individuals.

(2) Community services targeted to low- and moderate-income individuals.

(3) Activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration’s Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of one million dollars (\$1,000,000) or less.

(4) Activities that revitalize or stabilize the fishing industry.

(5) Activities that revitalize or stabilize low- and moderate-income geographies.

(i) “Community development loan” means a loan that meets the following:

(1) The loan has as its primary purpose community development.

(2) The loan, except in the case of a wholesale or limited purpose institution, has not been reported or collected by the institution or an affiliate for consideration in the institution’s assessment as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan, as described in Appendix A to 12 CFR 203, the Board of Governors of the Federal Reserve System’s implementing regulations for the federal Home Mortgage Disclosure Act (12 U.S.C. Sec. 2801), and the loan benefits the institution’s assessment areas or a broader statewide or regional area that includes the institution’s assessment areas.

(j) “Community development service” means a service that meets the following:

(1) It has as its primary purpose community development.

(2) It is related to the provision of financial services.

(3) It has not been considered in the evaluation of the institution’s retail banking services under subdivision (e) of Section 60019.

(k) “Consumer loan” means a loan to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. Consumer loans include the following categories of loans:

(1) A motor vehicle loan that is a consumer loan extended for the purchase of, and secured by, a motor vehicle.

(2) A credit card loan that is a line of credit for household, family, or other personal expenditures that is accessed by a borrower’s use of a “credit card,” as this term is defined in subdivision (a) of Section 1747.02 of the Civil Code.

(3) A home equity loan that is a consumer loan secured by a residence of the borrower.

(5) Other secured consumer loans that are secured consumer loans that are not included in one of the other categories of consumer loans.

(6) Other unsecured consumer loans that are unsecured consumer loans that are not included in one of the other categories of consumer loans.

(l) “Credit union” has the same meaning set forth in Section 14002.

(m) “Geography” means a census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

(n) “Home mortgage loan” means a home improvement loan or a home purchase loan as defined in 12 CFR 203.2, the regulations implementing the federal Home Mortgage Disclosure Act.

(o) “Income level” includes the following:

(1) Low income, which is an individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

(2) Moderate income, which is an individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

(3) Middle income, which is an individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

(4) Upper income, which is an individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more, in the case of a geography.

(p) “Institution” means a bank or credit union chartered under the laws of the this state or an out-of-state bank, an out-of-state national bank or a foreign bank with a branch office in this state, except that this definition shall not include a credit union where otherwise specified under this division.

(q) “Limited purpose institution” means an institution that offers only a narrow product line, such as credit card or motor vehicle loans, to a regional or broader market and for which a designation as a limited purpose institution is in effect, in accordance with subdivision (b) of Section 60014.

(r) “Loan location” means the following:

(1) A consumer loan is located in the geography where the borrower resides.

(2) A home mortgage loan is located in the geography where the property to which the loan relates is located.

(3) A small business or small farm loan is located in the geography where the main business facility or farm is located or where the loan proceeds otherwise will be applied, as indicated by the borrower.

(s) “Loan production office” means a staffed facility, other than a branch, that is open to the public and that provides lending-related services, such as loan information and applications.

(t) “MSA” means a metropolitan statistical area or a primary metropolitan statistical area as defined by the commissioner.

(u) “Qualified investment” means a lawful investment, deposit, membership share, or grant that has as its primary purpose community development, and lawful investments in the following:

(1) Corporations for the purpose of micro-lending in the area of small business, small farms, and the fishing industry.

(2) Corporations for the purpose of providing technical assistance to nonprofit housing corporations, small businesses and farms for the purpose of establishing creditworthiness.

(3) Contributions to any private nonprofit organization organized for improving the social and economic conditions, such as community development programs, small business technical

1 assistance, and educational institutions, in communities in where  
2 the institution has an office.

3 (4) Contributions for the purpose of relieving suffering or  
4 distress resulting from disaster or other calamity, such as hurricane  
5 or flood, occurring in any part of the state.

6 (v) “Small institution” means an institution that, as of  
7 December 31 of either of the prior two calendar years, had total  
8 assets of less than \$250 million and was independent or an affiliate  
9 of a holding company that, as of December 31 of either of the prior  
10 two calendar years, had total assets of less than \$1 billion.

11 (w) “Small business loan” means a loan included in loans to  
12 small businesses.

13 (x) “Small farm loan” means a loan included in loans to small  
14 farms.

15 (y) “Wholesale institution” means an institution that is not in  
16 the business of extending home mortgage, small business, small  
17 farm, or consumer loans to retail customers, and for which a  
18 designation as a wholesale institution is in effect, in accordance  
19 with subdivision (b) of Section 60019.

## 21 CHAPTER 2. INSTITUTION EVALUATION

22  
23 60010. The commissioner shall assess the community  
24 reinvestment performance of an institution in an examination as  
25 follows:

26 (a) The commissioner shall apply the lending, investment, and  
27 service tests, set forth in Sections 60011 to 60018, inclusive, in  
28 evaluating the performance of an institution, except as provided in  
29 subdivisions (b), (c), (d), and (e).

30 (b) The commissioner shall apply the community development  
31 test for a wholesale or limited purpose institution, as provided in  
32 Section 60019, except as provided in subdivision (d).

33 (c) The commissioner shall apply the small institution  
34 performance standards set forth in Section 60020 in evaluating the  
35 performance of a small institution or an institution that was a small  
36 institution during the prior calendar year, unless the institution  
37 elects to be assessed as provided in subdivisions (a), (b), or (d).  
38 However, an institution may elect to be assessed as provided in  
39 subdivision (a) only if it collects and reports the data required for  
40 other institutions under Sections 60027 and 60028.

1 (d) The commissioner shall evaluate the performance of an  
2 institution under a strategic plan if the institution submits, and the  
3 commissioner approves, a strategic plan as provided in Sections  
4 60021 and 60022.

5 (e) The commissioner shall apply the lending and service tests,  
6 as provided in Sections 60013 to 60016, inclusive, in evaluating  
7 the performance of a credit union. The investment test shall not  
8 apply to credit unions. However, a credit union that achieves at  
9 least a “satisfactory” rating under the lending and service tests  
10 may warrant consideration for an overall rating of “high  
11 satisfactory” or “outstanding” depending on the credit union’s  
12 performance in making qualified investments and community  
13 development loans to the extent authorized under law, in  
14 accordance with Chapter 3 (commencing with Section 60040).

15 60011. The commissioner shall apply the tests and standards  
16 in Section 60010 and also consider whether to approve a proposed  
17 strategic plan in the context of the following:

18 (a) Demographic data on median income levels, distribution of  
19 household income, nature of housing stock, housing costs, and  
20 other relevant data pertaining to an institution’s assessment areas.

21 (b) Any information about lending, investment, and service  
22 opportunities in the institution’s assessment areas maintained by  
23 the institution or obtained from community organizations, state,  
24 local, and tribal governments, economic development agencies, or  
25 other sources.

26 (c) The institution’s product offerings and business strategy as  
27 determined from data provided by the institution.

28 (d) Institutional capacity and constraints, including the size and  
29 financial condition of the institution, the economic climate  
30 (national, regional, and local), safety and soundness limitations,  
31 and any other factors that significantly affect the institution’s  
32 ability to provide lending, investments, or services in its  
33 assessment areas.

34 (e) The institution’s past performance and the performance of  
35 similarly situated lenders.

36 (f) The institution’s public file, as described in Section 60017  
37 and any written comments about the institution’s community  
38 reinvestment performance submitted to the institution or the  
39 commissioner.



1 (g) The credit union's defined membership by-law provisions  
2 and the lending and investment authority restrictions.

3 (h) Any other information deemed relevant by the  
4 commissioner.

5 60012. (a) The commissioner shall assign to an institution  
6 one of the following five ratings pursuant to Section 60024 and  
7 Chapter 3 (commencing with Section 60040): "outstanding,"  
8 "high satisfactory," "satisfactory," "needs to improve," or  
9 "substantial noncompliance." The rating assigned by the  
10 commissioner shall reflect the institution's record of helping to  
11 meet the credit needs of its entire community, including low- and  
12 moderate-income neighborhoods, consistent with the safe and  
13 sound operation of the institution.

14 (b) This division shall not be deemed to require an institution  
15 to make loans or investments or to provide services that are  
16 inconsistent with safe and sound operations.

17 60013. (a) The lending test shall evaluate an institution's  
18 record of helping to meet the credit needs of its assessment areas  
19 through its lending activities by considering an institution's home  
20 mortgage, small business, small farm, and community  
21 development lending. If consumer lending constitutes a  
22 substantial majority of an institution's business, the commissioner  
23 shall evaluate the institution's consumer lending in one or more of  
24 the following categories: motor vehicle, credit card, home equity,  
25 other secured, and other unsecured loans. In addition, at an  
26 institution's option, the commissioner shall evaluate one or more  
27 categories of consumer lending, if the institution has collected and  
28 maintained, as required in Section 60028, the data for each  
29 category that the institution elects to have the commissioner  
30 evaluate.

31 (b) The commissioner shall consider originations and  
32 purchases of loans. The commissioner shall also consider any  
33 other loan data the institution may choose to provide, including  
34 data on loans outstanding, commitments and letters of credit.

35 (c) An institution may ask the commissioner to consider loans  
36 originated or purchased by consortia in which the institution  
37 participates or by third parties in which the institution has invested  
38 only if the loans meet the definition of community development  
39 loans and only in accordance with Section 60016. The  
40 commissioner shall not consider these loans under any criterion of



1 the lending test except the community development lending  
2 criterion.

3 60014. The commissioner evaluates an institution's lending  
4 performance pursuant to the following criteria:

5 (a) The number and amount of the institution's home mortgage,  
6 small business, small farm, and consumer loans, if applicable, in  
7 the institution's assessment areas.

8 (b) The geographic distribution of the institution's home  
9 mortgage, small business, small farm, and consumer loans, if  
10 applicable, based on the loan location, including:

11 (1) The proportion of the institution's lending in the  
12 institution's assessment areas.

13 (2) The dispersion of lending in the institution's assessment  
14 areas.

15 (3) The number and amount of loans in low-, moderate-,  
16 middle-, and upper-income geographies in the institution's  
17 assessment areas.

18 (c) The distribution, particularly in the institution's assessment  
19 areas, of the institution's home mortgage, small business, small  
20 farm, and consumer loans, if applicable, based on borrower  
21 characteristics, including the number and amount of the following:

22 (1) Home mortgage loans to low-, moderate-, middle-, and  
23 upper-income individuals, including loans to assist existing low-  
24 and moderate-income residents to be able to remain in affordable  
25 housing in their neighborhoods.

26 (2) Small business and small farm loans to businesses and  
27 farms with gross annual revenues of one million dollars  
28 (\$1,000,000) or less.

29 (3) Small business and small farm loans by loan amount at  
30 origination.

31 (4) Consumer loans, if applicable, to low-, moderate-, middle-,  
32 and upper-income individuals.

33 (d) The institution's community development lending,  
34 including the number and amount of community development  
35 loans, and their complexity and innovativeness.

36 (e) The institution's use of innovative or flexible lending  
37 practices in a safe and sound manner to address the credit needs of  
38 low- and moderate-income individuals or geographies.

1 (f) The institution's performance relative to fair lending  
2 policies and practices pursuant to written policies and directives  
3 issued by the commissioner.

4 (g) The institution's number and amount of loans that show an  
5 undue concentration and a systematic pattern of lending resulting  
6 in the loss of affordable housing units.

7 60015. (a) At an institution's option, the commissioner shall  
8 consider loans by an affiliate of the institution, if the institution  
9 provides data on the affiliate's loans pursuant to Sections 60027  
10 and 60028.

11 (b) The commissioner shall consider affiliate lending subject to  
12 the following constraints:

13 (1) No affiliate may claim a loan origination or loan purchase  
14 if another institution claims the same loan origination or purchase.

15 (2) If an institution elects to have the commissioner consider  
16 loans within a particular lending category made by one or more of  
17 the institution's affiliates in a particular assessment area, the  
18 institution shall elect to have the commissioner consider all the  
19 loans within that lending category in that particular assessment  
20 area made by all of the institution's affiliates.

21 (c) The commissioner shall not consider affiliate lending in  
22 assessing an institution's performance under Section 60014.

23 60016. Community development loans originated or  
24 purchased by a consortium in which the institution participates or  
25 by a third party in which the institution has invested will be  
26 considered, at the institution's option, if the institution reports the  
27 data pertaining to these loans under Section 60027 and 60028. The  
28 community development loans may be allocated among  
29 participants or investors, as they choose, for purposes of the  
30 lending test, except that no participant or investor may do the  
31 following:

32 (a) Claim a loan origination or loan purchase if another  
33 participant or investor claims the same loan origination or  
34 purchase.

35 (b) Claim loans accounting for more than its percentage share,  
36 based on the level of its participation or investment, of the total  
37 loans originated by the consortium or third party.

38 60017. (a) The investment test shall evaluate an institution's  
39 record of helping to meet the credit needs of its assessment areas  
40 through qualified investments that benefit its assessment areas or



1 a broader statewide or regional area that includes the institution's  
2 assessment areas. A credit union shall not be evaluated under the  
3 investment test except as provided under Chapter 3 (commencing  
4 with Section 60040).

5 (b) Activities considered under the lending or service tests may  
6 not be considered under the investment test.

7 (c) At an institution's option, the commissioner shall consider,  
8 in its assessment of an institution's investment performance, a  
9 qualified investment made by an affiliate of the institution, if the  
10 qualified investment is not claimed by any other institution.

11 (d) Donating, selling on favorable terms, or making available  
12 on a rent-free basis a branch of the institution that is located in a  
13 predominantly minority neighborhood to a minority depository  
14 institution or women's depository institution, as these terms are  
15 defined in 12 U.S.C. 2907(b), shall be considered as a qualified  
16 investment.

17 (e) The commissioner shall evaluate the investment  
18 performance of an institution pursuant to the following criteria:

19 (1) The dollar amount of qualified investments.

20 (2) The innovativeness or complexity of qualified investments.

21 (3) The responsiveness of qualified investments to credit and  
22 community development needs.

23 (4) The degree to which the qualified investments assist  
24 existing low- and moderate-income residents to be able to remain  
25 in affordable housing in their neighborhoods.

26 (4) The degree to which the qualified investments are not  
27 routinely provided by private investors.

28 (e) The commissioner shall rate an institution's investment  
29 performance as provided in Chapter 3 (commencing with Section  
30 60040).

31 60018. (a) The service test evaluates an institution's record  
32 of helping to meet the credit needs of its assessment areas by  
33 analyzing both the availability and effectiveness of an institution's  
34 systems for delivering retail banking services and the extent and  
35 innovativeness of its community development services.

36 (b) Community development services shall benefit an  
37 institution's assessment areas or a broader statewide or regional  
38 area that includes the institution's assessment areas.

39 (c) At an institution's option, the commissioner shall consider,  
40 in its assessment of an institution's service performance, a

1 community development service provided by an affiliate of the  
2 institution, if the community development service is not claimed  
3 by any other institution.

4 (d) The commissioner shall evaluate the availability and  
5 effectiveness of an institution's systems for delivering retail  
6 banking services, pursuant to the following criteria:

7 (1) The current distribution of the institution's branches among  
8 low-, moderate-, middle-, and upper-income geographies.

9 (2) In the context of its current distribution of the institution's  
10 branches, the institution's record of opening and closing branches,  
11 particularly branches located in low- and moderate-income  
12 geographies or primarily serving low- and moderate-income  
13 individuals.

14 (3) The availability and effectiveness of alternative systems for  
15 delivering retail banking services such as ATMs, ATMs not owned  
16 or operated by or exclusively for the institution, banking by  
17 telephone or computer, loan production offices, and bank-at-work  
18 or bank-by-mail programs, in low- and moderate-income  
19 geographies and to low- and moderate-income individuals.

20 (4) The range of services provided in low-, moderate-, middle-,  
21 and upper-income geographies and the degree to which the  
22 services are tailored to meet the needs of those geographies.

23 (e) The commissioner shall evaluate community development  
24 services pursuant to the following criteria:

25 (1) The extent to which the institution provides community  
26 development services.

27 (2) The innovativeness and responsiveness of community  
28 development services.

29 (f) Service performance rating. The commissioner rates an  
30 institution's service performance as provided in Chapter 4  
31 (commencing with Section 60040).

32 60019. (a) The commissioner shall assess a wholesale or  
33 limited purpose institution's record of helping to meet the credit  
34 needs of its assessment areas under the community development  
35 test through its community development lending, qualified  
36 investments, or community development services.

37 (b) In order to receive a designation as a wholesale or limited  
38 purpose institution, an institution shall file a request, in writing,  
39 with the commissioner, at least three months prior to the proposed  
40 effective date of the designation. If the commissioner approves the

1 designation, it remains in effect until the institution requests  
2 revocation of the designation or until one year after the  
3 commissioner notifies the institution that the commissioner has  
4 revoked the designation on the commissioner's own initiative.

5 (c) The commissioner evaluates the community development  
6 performance of a wholesale or limited purpose institution pursuant  
7 to the following criteria:

8 (1) The number and amount of community development loans,  
9 including originations and purchases of loans and other  
10 community development loan data provided by the institution,  
11 such as data on loans outstanding, commitments, and letters of  
12 credit, qualified investments, or community development  
13 services.

14 (2) The use of innovative or complex qualified investments,  
15 community development loans, or community development  
16 services and the extent to which the investments are not routinely  
17 provided by private investors.

18 (3) The institution's responsiveness to credit and community  
19 development needs.

20 (d) At an institution's option, the commissioner shall consider  
21 in its community development performance assessment:

22 (a) Qualified investments or community development services  
23 provided by an affiliate of the institution, if the investments or  
24 services are not claimed by any other institution.

25 (b) Community development lending by affiliates, consortia,  
26 and third parties, subject to the requirements and limitations in  
27 Sections 60015 and 60016.

28 (e) (1) The commissioner shall consider all qualified  
29 investments, community development loans, and community  
30 development services that benefit areas within the institution's  
31 assessment areas or a broader statewide or regional area that  
32 includes the institution's assessment areas.

33 (2) The commissioner shall consider the qualified investments,  
34 community development loans, and community development  
35 services that benefit areas outside the institution's assessment  
36 areas, if the institution has adequately addressed the needs of its  
37 assessment areas.

38 (f) The commissioner rates an institution's community  
39 development performance as provided in Chapter 3 (commencing  
40 with Section 60040).

1 60020. (a) The commissioner shall evaluate the record of a  
2 small institution, or an institution that was a small institution  
3 during the prior calendar year, to determine if it is helping to meet  
4 the credit needs of its assessment areas, pursuant to the following  
5 criteria:

6 (1) The institution's loan-to-deposit ratio, adjusted for seasonal  
7 variation and, as appropriate, other lending-related activities, such  
8 as loan originations for sale to the secondary markets, community  
9 development loans, or qualified investments.

10 (2) The percentage of loans and, as appropriate, other  
11 lending-related activities located in the institution's assessment  
12 areas.

13 (3) The institution's record of lending to and, as appropriate,  
14 engaging in other lending-related activities for borrowers of  
15 different income levels and businesses and farms of different sizes.

16 (4) The geographic distribution of the institution's loans,  
17 provided, however that a credit union shall be evaluated in the  
18 context of its relevant membership by-law provisions.

19 (5) The institution's record of taking action, if warranted, in  
20 response to written complaints about its performance in helping to  
21 meet credit needs in its assessment areas and its performance with  
22 regard to fair lending policies and practices.

23 (b) The commissioner shall rate the performance of an  
24 institution evaluated under this section pursuant to Chapter 3  
25 (commencing with Section 60040).

26 60021. (a) The commissioner shall assess an institution's  
27 record of helping to meet the credit needs of its assessment areas  
28 under a strategic plan if:

29 (1) The institution has submitted the plan to the commissioner  
30 as provided for in this section.

31 (2) The commissioner has approved the plan.

32 (3) The plan is in effect.

33 (4) The institution has been operating under an approved plan  
34 for at least one year.

35 (b) The commissioner's approval of a plan shall not affect the  
36 institution's obligation, if any, to report data as required by  
37 Sections 6027 and 6028.

38 60022. (a) A plan may have a term of no more than five years,  
39 and any multiyear plan must include annual interim measurable

goals under which the commissioner shall evaluate the institution's performance.

(b) An institution with more than one assessment area may prepare a single plan for all of its assessment areas or one or more plans for one or more of its assessment areas.

(c) Affiliated institutions may prepare a joint plan if the plan provides measurable goals for each institution. Activities may be allocated among institutions at the institutions' option, provided that the same activities are not considered for more than one institution.

(d) Before submitting a plan to the commissioner for approval, an institution shall do the following:

(1) Informally seek suggestions from members of the public in its assessment areas covered by the plan while developing the plan.

(2) Once the institution has developed a plan, formally solicit public comment on the plan for at least 30 days by publishing notice in at least one newspaper of general circulation in each assessment area covered by the plan.

(3) During the period of formal public comment, make copies of the plan available for review by the public at no cost at all offices of the institution in any assessment area covered by the plan and provide copies of the plan upon request for a reasonable fee to cover copying and mailing, if applicable.

(g) The institution shall submit its plan to the commissioner at least three months prior to the proposed effective date of the plan. The institution shall also submit with its plan a description of its informal efforts to seek suggestions from members of the public, any written public comment received, and, if the plan was revised in light of the comment received, the initial plan as released for public comment.

(h) An institution shall specify in its plan measurable goals for helping to meet the credit needs of each assessment area covered by the plan, particularly the needs of low- and moderate-income geographies and low- and moderate-income individuals, through lending, investment, and services, as appropriate.

(i) An institution shall address in its plan all three performance categories and, unless the institution has been designated as a wholesale or limited purpose institution, shall emphasize lending and lending-related activities. Nevertheless, a different emphasis, including a focus on one or more performance categories, may be



1 appropriate if responsive to the characteristics and credit needs of  
2 its assessment areas, considering public comment and the  
3 institution's capacity and constraints, product offerings, and  
4 business strategy.

5 (j) An institution may submit additional information to the  
6 commissioner on a confidential basis which shall not be deemed  
7 a public record or be subject to the public disclosure, but the goals  
8 stated in the plan must be sufficiently specific to enable the public  
9 and the commissioner to judge the merits of the plan.

10 (k) An institution shall specify in its plan measurable goals that  
11 constitute "satisfactory" performance. A plan may specify  
12 measurable goals that constitute "outstanding" performance. If an  
13 institution submits, and the commissioner approves, both  
14 "satisfactory" and "outstanding" performance goals, the  
15 commissioner will consider the institution eligible for an  
16 "outstanding" performance rating.

17 (l) An institution may elect in its plan that, if the institution fails  
18 to meet substantially its plan goals for a satisfactory rating, the  
19 commissioner will evaluate the institution's performance under  
20 the lending, investment, and service tests, the community  
21 development test, or the small institution performance standards,  
22 as appropriate.

23 60023. (a) The commissioner shall act upon a plan within  
24 60-calendar days after the commissioner receives the complete  
25 plan and other material required under Section 60022. If the  
26 commissioner fails to act within this time period, the plan shall be  
27 deemed approved unless the commissioner extends the review  
28 period for good cause.

29 (b) In evaluating the plan's goals, the commissioner shall  
30 consider the public's involvement in formulating the plan, written  
31 public comment on the plan, and any response by the institution  
32 to public comment on the plan.

33 (c) The commissioner shall evaluate a plan's measurable goals  
34 using the following criteria, as appropriate:

35 (1) The extent and breadth of lending or lending-related  
36 activities, including, as appropriate, the distribution of loans  
37 among different geographies, businesses and farms of different  
38 sizes, and individuals of different income levels, the extent of  
39 community development lending, and the use of innovative or  
40 flexible lending practices to address credit needs.



1 (2) The amount and innovativeness, complexity, and  
2 responsiveness of the institution's qualified investments.

3 (3) The availability and effectiveness of the institution's  
4 systems for delivering retail banking services and the extent and  
5 innovativeness of the institution's community development  
6 services.

7 (d) During the term of a plan, an institution may request the  
8 commissioner to approve an amendment to the plan on grounds  
9 that there has been a material change in circumstances. The  
10 institution shall develop an amendment to a previously approved  
11 plan in accordance with the public participation requirements of  
12 subdivision (d) of Section 60022.

13 (e) The commissioner approves the goals and assesses  
14 performance under a plan as provided for in Chapter 3  
15 (commencing with Section 60040).

16 60024. (a) Subject to subdivisions (a) and (b), the  
17 commissioner shall assign to an institution a rating of  
18 "outstanding," "high satisfactory," "satisfactory," "needs to  
19 improve," or "substantial noncompliance" based on the  
20 institution's performance under the lending, investment and  
21 service tests, the community development test, the small  
22 institution performance standards, or an approved strategic plan,  
23 as applicable.

24 (b) The commissioner shall assign a rating for an institution  
25 assessed under the lending, investment, and service tests in  
26 accordance with the following principles:

27 (1) An institution that receives an "outstanding" rating on the  
28 lending test receives an assigned rating of at least "satisfactory."

29 (2) An institution that receives an "outstanding" rating on both  
30 the service test and the investment test and a rating of at least "high  
31 satisfactory" on the lending test receives an assigned rating of  
32 "outstanding."

33 (3) No institution may receive an assigned rating of  
34 "satisfactory" or higher unless it receives a rating of at least  
35 "satisfactory" on the lending test.

36 (4) An institution that receives a "satisfactory" rating on the  
37 lending test and either the service or investment test, and receives  
38 a rating of "needs to improve" on the third test, receives an  
39 assigned rating of "satisfactory."

1 (5) A credit union that receives a “satisfactory” rating on the  
2 lending test and receives a rating of “needs to improve” on the  
3 service test, receives an assigned rating of “satisfactory.”

4 (c) In determining the effect on an institution’s assigned rating,  
5 the commissioner shall consider the nature and extent of the  
6 evidence, the policies and procedures that the institution has in  
7 place to prevent discriminatory or other illegal credit practices,  
8 any corrective action that the institution has taken or has  
9 committed to take, particularly voluntary corrective action  
10 resulting from self-assessment, the institution’s compliance with  
11 written policies and directives with regard to fair lending, and  
12 other relevant information.

13 60025. (a) Among other factors, the commissioner shall take  
14 into account the record of performance under the community  
15 reinvestment provisions of this division of each institution  
16 submitting applications for the following:

17 (1) Establishment of any branch by all state-chartered  
18 institutions.

19 (2) Establishment of Massachusetts branches by out-of-state  
20 banks, out-of-state federal banks, and foreign banks.

21 (3) A merger or consolidation with or the acquisition of assets  
22 or assumption of liabilities of any state-chartered institution by a  
23 California bank or bank holding company, including its  
24 subsidiaries.

25 (4) A merger or consolidation with, or the acquisition of assets  
26 or assumption of, liabilities of a state-chartered institution by an  
27 out-of-state bank, an out-of-state federal bank, or an foreign bank  
28 or bank holding company, including its subsidiaries.

29 (5) An automated teller machine.

30 (6) A mobile electronic branch.

31 (7) Any other approval of the commissioner, provided that  
32 there are no other countervailing financial safety and soundness or  
33 other policy considerations.

34 (b) In considering community reinvestment performance in an  
35 application described in subdivision (a), the commissioner shall  
36 take into account any views expressed by interested parties that are  
37 submitted.

38 (c) An institution’s record of performance may be the basis for  
39 denying or conditioning approval of an application listed in  
40 subdivision (a).



1 (d) The commissioner shall establish alternative branch  
2 opening application procedures for institutions that received a  
3 rating of “outstanding” as of their most recent state or federal  
4 examination. These procedures shall include such other standards  
5 and procedures as the commissioner deems appropriate.

6 60026. (a) An institution shall delineate one or more  
7 assessment areas within which the commissioner shall evaluate the  
8 institution’s record of helping to meet the credit needs of its  
9 community. The commissioner shall not evaluate the institution’s  
10 delineation of its assessment areas as a separate performance  
11 criterion. However, the commissioner shall review the delineation  
12 for compliance with the requirements of this section.

13 (b) The assessment areas for a wholesale or limited purpose  
14 institution shall consist generally of one or more MSAs, using the  
15 MSA boundaries that were in effect as of January 1 of the calendar  
16 year when the delineation is made, or one or more contiguous  
17 political subdivisions, such as counties, cities, or towns, in which  
18 the institution has its main office, branches, and deposit-taking  
19 ATMs.

20 (c) The assessment areas for an institution other than a  
21 wholesale or limited purpose institution or a credit union under  
22 subdivision (h) shall:

23 (1) Consist generally of one or more MSAs, using the MSA  
24 boundaries that were in effect as of January 1 of the calendar year  
25 where the delineation is made, or one or more contiguous political  
26 subdivisions, such as counties, cities, or towns.

27 (2) Include the geographies where the institution has its main  
28 office, its branches, and its deposit-taking ATMs, as well as the  
29 surrounding geographies in which the institution has originated or  
30 purchased a substantial portion of its loans, including home  
31 mortgage loans, small business and small farm loans, and any  
32 other loans the institution chooses, such as those consumer loans  
33 on which the institution elects to have its performance assessed.

34 (d) An institution may adjust the boundaries of its assessment  
35 areas to include only the portion of a political subdivision that it  
36 reasonably can be expected to serve. An adjustment is particularly  
37 appropriate in the case of an assessment area that otherwise would  
38 be extremely large, of unusual configuration, or divided by  
39 significant geographic barriers.

(e) Each institution's assessment areas shall meet the following:

(1) Consist only of whole geographies.

(2) They shall not reflect illegal discrimination;

(3) They shall not arbitrarily exclude low- and moderate-income geographies, taking into account the institution's size and financial condition.

(4) They shall not extend substantially beyond a CMSA boundary or beyond a state boundary unless the assessment area is located in a multistate MSA. If an institution serves a geographic area that extends substantially beyond a state boundary, the institution shall delineate separate assessment areas for the areas in each state. If an institution serves a geographic area that extends substantially beyond a CMSA boundary, the institution shall delineate separate assessment areas for the areas inside and outside the CMSA.

(f) Notwithstanding the requirements of this section, an institution whose business predominantly consists of serving the needs of military personnel or their dependents who are not located within a defined geographic area may delineate its entire deposit customer base as its assessment area.

(g) The commissioner shall use the assessment areas delineated by an institution in its evaluation of the institution's community reinvestment performance unless the commissioner determines that the assessment areas do not comply with the requirements of this section.

(h) Notwithstanding the requirements of this section, a credit union whose membership by-law provisions are not based on residence may delineate its membership as its assessment area.

60027. (a) Institutions shall comply with all data collection, reporting and disclosure regulations as promulgated by the appropriate federal banking agencies.

(b) Credit unions are exempted from the data collection, reporting, and disclosure requirements for small business, small farm, and community development loans; provided, however, if the credit union, except a credit union that meets the definition of a small institution, is subject to reporting under the Board of Governors of the Federal Reserve System's implementing regulations for the Home Mortgage Disclosure Act (12 CFR 203), it shall report the location of each home mortgage loan application,

1 origination, or purchase outside the MSAs in which the credit  
2 union has a home or branch office, or outside any MSA, in  
3 accordance with the requirements of 12 CFR 203.

4 60028. (a) An institution may collect and maintain in  
5 machine readable form, as prescribed by the commissioner, data  
6 for consumer loans originated or purchased by the institution for  
7 consideration under the lending test. An institution may maintain  
8 data for one or more of the following categories of consumer loans:  
9 motor vehicle, credit card, home equity, other secured, and other  
10 unsecured. If the institution maintains data for loans in a certain  
11 category, it shall maintain data for all loans originated or  
12 purchased within that category. The institution shall maintain the  
13 following data separately for each category, including for each  
14 loan:

15 (1) A unique number or alpha-numeric symbol that can be used  
16 to identify the relevant loan file.

17 (2) The loan amount at origination or purchase.

18 (3) The loan location.

19 (4) The gross annual income of the borrower that the institution  
20 considered in making its credit decision.

21 (b) At its option, an institution may provide other information  
22 concerning its lending performance, including additional loan  
23 distribution data.

24 60029. An institution shall maintain a public file that includes  
25 the following information:

26 (a) All written comments received from the public for the  
27 current year and each of the prior two calendar years that  
28 specifically relate to the institution's performance in helping to  
29 meet community credit needs, and any response to the comments  
30 by the institution, if neither the comments nor the responses  
31 contain statements that reflect adversely on the good name or  
32 reputation of any persons other than the institution or publication  
33 of which would violate specific provisions of law.

34 (b) A copy of the public section of the institution's most recent  
35 community reinvestment performance evaluation prepared by the  
36 commissioner. The institution shall place this copy in the public  
37 file within 30 business days after its receipt from the  
38 commissioner.

39 (c) A list of the institution's branches, their street addresses,  
40 and geographies.

(d) A list of branches opened or closed by the institution during the current year and each of the prior two calendar years, their street addresses, and geographies.

(e) A list of services, including hours of operation, available loan and deposit products, and transaction fees, generally offered at the institution's branches and descriptions of material differences in the availability or cost of services at particular branches, if any. At its option, an institution may include information regarding the availability of alternative systems for delivering retail banking services (e.g., ATMs, ATMs not owned or operated by or exclusively for the institution, banking by telephone or computer, loan production offices, and bank-at-work or bank-by-mail programs).

(f) A map of each assessment area showing the boundaries of the area and identifying the geographies contained within the area, either on the map or in a separate list, provided however, a map of the assessment area does not need to be maintained if the institution is a credit union whose membership by-law provisions do not correspond to a defined geographic area.

(g) Any other information the institution chooses.

60030. (a) An institution, except a small institution or an institution that was a small institution during the prior calendar year, shall include in its public file the following information pertaining to the institution and its affiliates, if applicable, for each of the prior two calendar years:

(1) If the institution has elected to have one or more categories of its consumer loans considered under the lending test, for each of these categories, the number and amount of loans:

(A) To low-, moderate-, middle-, and upper-income individuals.

(B) Located in low-, moderate-, middle-, and upper-income census tracts.

(C) Located inside the institution's assessment areas and outside the institution's assessment areas.

(2) The institution's community reinvestment disclosure statement, which shall be placed by the institution its public file within three business days of its receipt from the commissioner.

(b) An institution required to report home mortgage loan data pursuant to the implementing regulations for the federal Home Mortgage Disclosure Act regulations (12 CFR 203) shall include



1 in its public file a copy of the act's disclosure statement provided  
2 by the Federal Financial Institutions Examination Council  
3 pertaining to the institution for each of the prior two calendar  
4 years. In addition, an institution that elected to have the  
5 commissioner consider the mortgage lending of an affiliate for any  
6 of these years shall include in its public file the affiliate's federal  
7 Home Mortgage Disclosure Act disclosure statement for those  
8 years. The institution shall place the statements in its public file  
9 within three business days after its receipt.

10 (c) A small institution or an institution that was a small  
11 institution during the prior calendar year shall include the  
12 following in its public file:

13 (1) The institution's loan-to-deposit ratio for each quarter of  
14 the prior calendar year and, at its option, additional data on its  
15 loan-to-deposit ratio.

16 (2) The information required for other institutions by Section  
17 60029, if the institution has elected to be evaluated under the  
18 lending, investment, and service tests.

19 (d) An institution that has been approved to be assessed under  
20 a strategic plan shall include in its public file a copy of that plan.  
21 An institution need not include information submitted to the  
22 commissioner on a confidential basis in conjunction with the plan.

23 (e) An institution that received a less than satisfactory rating  
24 during its most recent examination shall include in its public file  
25 a description of its current efforts to improve its performance in  
26 helping to meet the credit needs of its entire community. The  
27 institution shall update the description quarterly.

28 60031. (a) An institution shall make available to the public  
29 for inspection upon request and at no cost the information required  
30 in Section 60030 as follows:

31 (1) At the main office and, if an interstate institution, at one  
32 branch office in each state, all information in its public file.

33 (2) At each branch:

34 (A) A copy of the public section of the institution's most recent  
35 community reinvestment performance evaluation and a list of  
36 services provided by the branch.

37 (B) Within five calendar days of the request, all the information  
38 in its public file relating to the assessment area in which the branch  
39 is located.

(b) Upon request, an institution shall provide copies, either on paper or in another form acceptable to the person making the request, of the information in its public file. The institution may charge a reasonable fee not to exceed the cost of copying and mailing, if applicable.

(c) Except as otherwise provided in Sections 6029, 6030, and this section, an institution shall ensure that the information required by those provisions and this section are current as of April 1 of each year.

60032. An institution shall provide in the public lobby of its main office and each of its branches the appropriate public notice set forth in Chapter 4 (commencing with Section 60050). Only a branch of an institution having more than one assessment area shall include the bracketed material in the notice for branch offices. Only an institution that is an affiliate of a holding company shall include the next to the last sentence of the notices. An institution shall include the last sentence of the notices only if it is an affiliate of a holding company that is not prevented by statute from acquiring additional institutions.

60033. The commissioner shall publish at least 30 days in advance of the beginning of each calendar quarter a list of institutions scheduled for community reinvestment examinations in that quarter.

60034. The commissioner shall establish alternative examination procedures for institutions which were rated “outstanding” as of their most recent state or federal Community Reinvestment Act compliance examination. After January 1, 1998, the alternative examination procedures shall also apply to institutions which were rated “high satisfactory” as of their most recent state or federal examination. The purpose of the alternative procedures shall be to reduce the cost to institutions. The alternative procedures shall in no way limit public participation.

### CHAPTER 3. RATINGS

60040. (a) In assigning a rating, the commissioner shall evaluate an institution’s performance under the applicable performance criteria in this division, in accordance with Sections 60010, 60011, 60012, and 60024, which provides for adjustments

1 on the basis of evidence of discriminatory or other illegal credit  
2 practices.

3 (b) An institution's performance is not required to fit each  
4 aspect of a particular rating profile in order to receive that rating,  
5 and exceptionally strong performance with respect to some aspects  
6 may compensate for weak performance in others. The institution's  
7 overall performance, however, shall be consistent with safe and  
8 sound banking practices and generally with the appropriate rating  
9 profile as provided in this chapter.

10 60041. The commissioner shall assign each institution's  
11 lending performance one of the five following ratings:

12 (a) The commissioner shall rate an institution's lending  
13 performance "outstanding" if, in general, it demonstrates:

14 (1) Excellent responsiveness to credit needs in its assessment  
15 areas, taking into account the number and amount of home  
16 mortgage, small business, small farm, and consumer loans, if  
17 applicable, in its assessment areas.

18 (2) A substantial majority of its loans are made in its assessment  
19 areas.

20 (3) An excellent geographic distribution of loans in its  
21 assessment areas.

22 (4) An excellent distribution, particularly in its assessment  
23 area, of loans among individuals of different income levels and  
24 businesses, including farms, of different sizes, given the product  
25 lines offered by the institution.

26 (5) An excellent record of serving the credit needs of highly  
27 economically disadvantaged areas in its assessment areas,  
28 low-income individuals, including loans to assist existing low- and  
29 moderate-income residents to be able to remain in their  
30 neighborhoods, or businesses, including farms, with gross annual  
31 revenues of one million dollars (\$1,000,000) or less, consistent  
32 with safe and sound operations.

33 (6) Extensive use of innovative or flexible lending practices in  
34 a safe and sound manner to address the credit needs of low- and  
35 moderate-income individuals or geographies.

36 (7) It is a leader in making community development loans.

37 (8) There is no evidence of loans that show an undue  
38 concentration and a systematic pattern of lending resulting in the  
39 loss of affordable housing units.

1 (9) An excellent record relative to fair lending policies and  
2 practices.

3 (b) The commissioner shall rate an institution's lending  
4 performance "high satisfactory" if, in general, it demonstrates:

5 (1) Good responsiveness to credit needs in its assessment areas,  
6 taking into account the number and amount of home mortgage,  
7 small business, small farm, and consumer loans, if applicable, in  
8 its assessment areas.

9 (2) A high percentage of its loans are made in its assessment  
10 areas.

11 (3) A good geographic distribution of loans in its assessment  
12 areas.

13 (4) A good distribution, particularly in its assessment areas, of  
14 loans among individuals of different income levels and businesses,  
15 including farms, of different sizes, given the product lines offered  
16 by the institution.

17 (5) A good record of serving the credit needs of highly  
18 economically disadvantaged areas in its assessment areas,  
19 low-income individuals, including loans to assist existing low- and  
20 moderate-income residents to be able to remain in their  
21 neighborhoods, or businesses, including farms, with gross annual  
22 revenues of one million dollars (\$1,000,000) or less, consistent  
23 with safe and sound operations.

24 (6) Use of innovative or flexible lending practices in a safe and  
25 sound manner to address the credit needs of low- and  
26 moderate-income individuals or geographies.

27 (7) It has made a relatively high level of community  
28 development loans.

29 (8) There is no evidence of loans that show an undue  
30 concentration and a systematic pattern of lending resulting in the  
31 loss of affordable housing units.

32 (9) A good record relative to fair lending policies and practices.

33 (c) The commissioner shall rate an institution's lending  
34 performance "satisfactory" if, in general, it demonstrates:

35 (1) Adequate responsiveness to credit needs in its assessment  
36 areas, taking into account the number and amount of home  
37 mortgage, small business, small farm, and consumer loans, if  
38 applicable, in its assessment areas.

39 (2) An adequate percentage of its loans are made in its  
40 assessment areas.

1 (3) An adequate geographic distribution of loans in its  
2 assessment areas.

3 (4) An adequate distribution, particularly in its assessment  
4 areas, of loans among individuals of different income levels and  
5 businesses, including farms, of different sizes, given the product  
6 lines offered by the institution.

7 (5) An adequate record of serving the credit needs of highly  
8 economically disadvantaged areas in its assessment areas,  
9 low-income individuals, including loans to assist existing low- and  
10 moderate-income residents to be able to remain in their  
11 neighborhoods, or businesses, including farms, with gross annual  
12 revenues of one million dollars (\$1,000,000) or less, consistent  
13 with safe and sound operations.

14 (6) Limited use of innovative or flexible lending practices in a  
15 safe and sound manner to address the credit needs of low- and  
16 moderate-income individuals or geographies.

17 (7) It has made an adequate level of community development  
18 loans.

19 (8) There is no evidence of loans that show an undue  
20 concentration and a systematic pattern of lending resulting in the  
21 loss of affordable housing units.

22 (9) An adequate record relative to fair lending policies and  
23 practices.

24 (d) The commissioner shall rate an institution's lending  
25 performance "needs to improve" if, in general, it demonstrates:

26 (1) Poor responsiveness to credit needs in its assessment areas,  
27 taking into account the number and amount of home mortgage,  
28 small business, small farm, and consumer loans, if applicable, in  
29 its assessment areas.

30 (2) A small percentage of its loans are made in its assessment  
31 areas.

32 (3) A poor geographic distribution of loans, particularly to  
33 low- and moderate-income geographies, in its assessment areas.

34 (4) A poor distribution, particularly in its assessment areas, of  
35 loans among individuals of different income levels and businesses,  
36 including farms, of different sizes, given the product lines offered  
37 by the institution.

38 (5) A poor record of serving the credit needs of highly  
39 economically disadvantaged areas in its assessment areas,  
40 low-income individuals, including loans to assist existing low- and

1 moderate-income residents to be able to remain in their  
2 neighborhoods, or businesses, including farms, with gross annual  
3 revenues of one million dollars (\$1,000,000) or less, consistent  
4 with safe and sound operations.

5 (6) Little use of innovative or flexible lending practices in a  
6 safe and sound manner to address the credit needs of low- and  
7 moderate-income individuals or geographies.

8 (7) It has made a level of community development loans.

9 (8) There is possible evidence of loans that show an undue  
10 concentration and a systematic pattern of lending resulting in the  
11 loss of affordable housing units.

12 (9) A poor record relative to fair lending policies and practices.

13 (e) The commissioner shall rate an institution's lending  
14 performance as being in "substantial noncompliance" if, in  
15 general, it demonstrates:

16 (1) A very poor responsiveness to credit needs in its assessment  
17 areas, taking into account the number and amount of home  
18 mortgage, small business, small farm, and consumer loans, if  
19 applicable, in its assessment areas.

20 (2) A very small percentage of its loans are made in its  
21 assessment areas.

22 (3) A very poor geographic distribution of loans, particularly  
23 to low- and moderate-income geographies, in its assessment areas.

24 (4) A very poor distribution, particularly in its assessment  
25 areas, of loans among individuals of different income levels and  
26 businesses, including farms, of different sizes, given the product  
27 lines offered by the institution.

28 (5) A very poor record of serving the credit needs of highly  
29 economically disadvantaged areas in its assessment areas,  
30 low-income individuals, including loans to assist existing low- and  
31 moderate-income residents to be able to remain in their  
32 neighborhoods, or businesses, including farms, with gross annual  
33 revenues of one million dollars (\$1,000,000) or less, consistent  
34 with safe and sound operations.

35 (6) No use of innovative or flexible lending practices in a safe  
36 and sound manner to address the credit needs of low- and  
37 moderate-income individuals or geographies.

38 (7) It has made few, if any, community development loans.



1 (8) Origination of loans that show an undue concentration and  
2 a systematic pattern of lending resulting in the loss of affordable  
3 housing units.

4 (9) A very poor record relative to fair lending policies and  
5 practices.

6 60042. The commissioner shall assign each institution's  
7 investment performance one of the five following ratings:

8 (a) The commissioner shall rate an institution's investment  
9 performance "outstanding" if, in general, it demonstrates:

10 (1) An excellent level of qualified investments, particularly  
11 those that are not routinely provided by private investors, often in  
12 a leadership position.

13 (2) Extensive use of innovative or complex qualified  
14 investments.

15 (3) Excellent responsiveness to credit and community  
16 development needs.

17 (b) The commissioner shall rate an institution's investment  
18 performance "high satisfactory" if, in general, it demonstrates:

19 (1) A significant level of qualified investments, particularly  
20 those that are not routinely provided by private investors,  
21 occasionally in a leadership position.

22 (2) Significant use of innovative or complex qualified  
23 investments.

24 (3) Good responsiveness to credit and community  
25 development needs.

26 (c) The commissioner shall rate an institution's investment  
27 performance "satisfactory" if, in general, it demonstrates:

28 (1) An adequate level of qualified investments, particularly  
29 those that are not routinely provided by private investors, although  
30 rarely in a leadership position.

31 (2) Occasional use of innovative or complex qualified  
32 investments.

33 (3) Adequate responsiveness to credit and community  
34 development needs.

35 (d) The commissioner rates an institution's investment  
36 performance "needs to improve" if, in general, it demonstrates:

37 (1) A poor level of qualified investments, particularly those  
38 that are not routinely provided by private investors.

39 (2) Rare use of innovative or complex qualified investments.



1 (3) Poor responsiveness to credit and community development  
2 needs.

3 (e) The commissioner shall rate an institution's investment  
4 performance as being in "substantial noncompliance" if, in  
5 general, it demonstrates:

6 (1) Few, if any, qualified investments, particularly those that  
7 are not routinely provided by private investors.

8 (2) No use of innovative or complex qualified investments.

9 (3) Very poor responsiveness to credit and community  
10 development needs.

11 60043. The commissioner shall assign each institution's  
12 service performance one of the five following ratings.

13 (a) The commissioner shall rate an institution's service  
14 performance "outstanding" if, in general, the institution  
15 demonstrates:

16 (1) Its service delivery systems are readily accessible to  
17 geographies and individuals of different income levels in its  
18 assessment areas.

19 (2) To the extent changes have been made, its record of opening  
20 and closing branches has improved the accessibility of its delivery  
21 systems, particularly in low- and moderate-income geographies or  
22 to low- and moderate-income individuals;

23 (3) Its services, including, where appropriate, business hours,  
24 are tailored to the convenience and needs of its assessment areas,  
25 particularly low- and moderate-income geographies or low- and  
26 moderate-income individuals.

27 (4) It is a leader in providing community development services.

28 (b) The commissioner shall rate an institution's service  
29 performance "high satisfactory" if, in general, the institution  
30 demonstrates:

31 (1) Its service delivery systems are accessible to geographies  
32 and individuals of different income levels in its assessment areas.

33 (2) To the extent changes have been made, its record of opening  
34 and closing branches has not adversely affected the accessibility  
35 of its delivery systems, particularly in low- and moderate-income  
36 geographies and to low- and moderate-income individuals.

37 (3) Its services, including, where appropriate, business hours,  
38 do not vary in a way that inconveniences its assessment areas,  
39 particularly low- and moderate-income geographies and low- and  
40 moderate-income individuals.

1 (4) It provides a relatively high level of community  
2 development services.

3 (c) The commissioner shall rate an institution's service  
4 performance "satisfactory" if, in general, the institution  
5 demonstrates:

6 (1) Its service delivery systems are reasonably accessible to  
7 geographies and individuals of different income levels in its  
8 assessment areas.

9 (2) To the extent changes have been made, its record of opening  
10 and closing branches has generally not adversely affected the  
11 accessibility of its delivery systems, particularly in low- and  
12 moderate-income geographies and to low- and moderate-income  
13 individuals.

14 (3) Its services, including, where appropriate, business hours,  
15 do not vary in a way that inconveniences its assessment area,  
16 particularly low- and moderate-income geographies and low- and  
17 moderate-income individuals.

18 (4) It provides an adequate level of community development  
19 services.

20 (d) The commissioner shall rate an institution's service  
21 performance "needs to improve" if, in general, the institution  
22 demonstrates:

23 (1) Its service delivery systems are unreasonably inaccessible  
24 to portions of its assessment areas, particularly to low- and  
25 moderate-income geographies or to low- and moderate-income  
26 individuals.

27 (2) To the extent changes have been made, its record of opening  
28 and closing branches has adversely affected the accessibility its  
29 delivery systems, particularly in low- and moderate-income  
30 geographies or to low- and moderate-income individuals.

31 (3) Its services, including, where appropriate, business hours,  
32 vary in a way that inconveniences its assessment areas, particularly  
33 low- and moderate-income geographies or low- and  
34 moderate-income individuals.

35 (4) It provides a limited level of community development  
36 services.

37 (e) The commissioner shall rate an institution's service  
38 performance as being in "substantial noncompliance" if, in  
39 general, the institution demonstrates:

1 (1) Its service delivery systems are unreasonably inaccessible  
2 to significant portions of its assessment areas, particularly to low-  
3 and moderate-income geographies or to low- and  
4 moderate-income individuals.

5 (2) To the extent changes have been made, its record of opening  
6 and closing branches has significantly adversely affected the  
7 accessibility of its delivery systems, particularly in low- and  
8 moderate-income geographies or to low- and moderate-income  
9 individuals.

10 (3) Its services (including, where appropriate, business hours)  
11 vary in a way that significantly inconveniences its assessment  
12 areas, particularly low- and moderate-income geographies or low-  
13 and moderate-income individuals.

14 (4) It provides few, if any, community development services.  
15 60044. The commissioner shall assign each wholesale or  
16 limited purpose institution's community development  
17 performance one of the five following ratings:

18 (a) The commissioner shall rate a wholesale or limited purpose  
19 institution's community development performance  
20 "outstanding" if, in general, it demonstrates:

21 (1) A high level of community development loans, community  
22 development services, or qualified investments, particularly  
23 investments that are not routinely provided by private investors.

24 (2) Extensive use of innovative or complex qualified  
25 investments, community development loans, or community  
26 development services.

27 (3) Excellent responsiveness to credit and community  
28 development needs in its assessment areas.

29 (b) The commissioner shall rate a wholesale or limited purpose  
30 institution's community development performance "high  
31 satisfactory" if, in general, it demonstrates:

32 (1) A significant level of community development loans,  
33 community development services or qualified investments,  
34 particularly investments that are not routinely provided by private  
35 investors.

36 (2) Frequent use of innovative or complex qualified  
37 investments, community development loans or community  
38 development services.

39 (3) High responsiveness to credit and community development  
40 needs in its assessment area.

(c) The commissioner shall rate a wholesale or limited purpose institution's community development performance "satisfactory" if, in general, it demonstrates:

(1) An adequate level of community development loans, community development services, or qualified investments, particularly investments that are not routinely provided by private investors.

(2) Occasional use of innovative or complex qualified investments, community development loans, or community development services.

(3) Adequate responsiveness to credit and community development needs in its assessment areas.

(d) The commissioner shall rate a wholesale or limited purpose institution's community development performance as "needs to improve" if, in general, it demonstrates:

(1) A poor level of community development loans, community development services, or qualified investments, particularly investments that are not routinely provided by private investors.

(2) Rare use of innovative or complex qualified investments, community development loans, or community development services.

(3) Poor responsiveness to credit and community development needs in its assessment areas.

(e) The commissioner shall rate a wholesale or limited purpose institution's community development performance in "substantial noncompliance" if, in general, it demonstrates:

(1) Few, if any, community development loans, community development services, or qualified investments, particularly investments that are not routinely provided by private investors.

(2) No use of innovative or complex qualified investments, community development loans, or community development services.

(3) Very poor responsiveness to credit and community development needs in its assessment areas.

60045. The commissioner shall rate the performance of each institution evaluated under the small institution performance standards as follows:

(a) The commissioner rates an institution's performance "satisfactory" if, in general, the institution demonstrates:

1 (1) A reasonable loan-to-deposit ratio, considering seasonal  
2 variations, given the institution's size, financial condition, the  
3 credit needs of its assessment areas, and taking into account, as  
4 appropriate, lending-related activities such as loan originations for  
5 sale to the secondary markets and community development loans  
6 and qualified investments.

7 (2) A majority of its loans and, as appropriate, other  
8 lending-related activities are in its assessment areas.

9 (3) A distribution of loans to and, as appropriate, other lending  
10 related-activities for individuals of different income levels,  
11 including low- and moderate-income individuals, and businesses  
12 and farms of different sizes that is reasonable given the  
13 demographics of the institution's assessment areas.

14 (4) A record of taking appropriate action, as warranted, in  
15 response to written complaints, if any, about the institution's  
16 performance in helping to meet the credit needs of its assessment  
17 areas and reasonable performance with regard to fair lending  
18 policies and practices.

19 (5) A reasonable geographic distribution of loans given the  
20 institution's assessment areas.

21 (b) An institution that meets each of the standards for a  
22 "satisfactory" rating under this paragraph and exceeds some or all  
23 of those standards may warrant consideration for an overall rating  
24 of "high satisfactory" or "outstanding." In assessing whether an  
25 institution's performance is "high satisfactory" or "outstanding,"  
26 the commissioner considers the degree to which the institution  
27 exceeds each of the performance standards for a "satisfactory"  
28 rating and its performance in making community development  
29 loans or qualified investments and its performance in providing  
30 branches and other services and delivery systems that enhance  
31 credit availability in its assessment areas.

32 (c) An institution also may receive a rating of "needs to  
33 improve" or "substantial noncompliance" depending on the  
34 degree to which its performance has failed to meet the standards  
35 for a "satisfactory" rating.

36 60046. (a) The commissioner shall approve as  
37 "satisfactory" measurable goals that adequately help to meet the  
38 credit needs of the institution's assessment areas.



1 (b) If the plan identifies a separate group of measurable goals  
2 that substantially exceed the levels approved as “satisfactory,” the  
3 commissioner shall approve those goals as “outstanding.”

4 (c) The commissioner shall assess the performance of an  
5 institution operating under an approved plan to determine if the  
6 institution has met its plan goals as follows:

7 (1) If the institution substantially achieves its plan goals for a  
8 satisfactory rating, the commissioner will rate the institution’s  
9 performance under the plan as “satisfactory.”

10 (2) If the institution achieves all of its goals for a satisfactory  
11 rating, and exceeds some or all of its plan goals for a satisfactory  
12 rating, the commissioner will rate the institution under the plan as  
13 “high satisfactory.”

14 (3) If the institution exceeds its plan goals for a satisfactory  
15 rating and substantially achieves its plan goals for an outstanding  
16 rating, the commissioner shall rate the institution’s performance  
17 under the plan as “outstanding.”

18 (4) If the institution fails to meet substantially its plan goals for  
19 a satisfactory rating, the Commissioner shall rate the institution as  
20 either “needs to improve” or “substantial noncompliance,”  
21 depending on the extent to which it falls short of its plan goals,  
22 unless the institution elected in its plan to be rated otherwise, as  
23 provided in subdivision (l) of Section 60022.

24 60047. The commissioner shall assign each credit union’s  
25 lending performance one of the five following ratings:

26 (a) The commissioner shall rate a credit union’s lending  
27 performance “outstanding” if, in general, it demonstrates:

28 (1) Excellent responsiveness to credit needs in its assessment  
29 areas, taking into account the number and amount of home  
30 mortgage, and consumer loans, if applicable, in its assessment  
31 areas.

32 (2) A substantial majority of its loans are made in its assessment  
33 areas.

34 (3) An excellent geographic distribution of loans in its  
35 assessment areas, provided however, a geographic analysis is  
36 relevant in the context of the credit union’s membership by-law  
37 provisions.

38 (4) An excellent distribution, particularly in its assessment  
39 areas, of loans among members of different income levels, given  
40 the product lines offered by the credit union.

1 (5) An excellent record of serving the credit needs of highly  
2 economically disadvantaged areas in its assessment areas, and  
3 low-income members, including loans and other efforts to assist  
4 existing low- and moderate-income members to be able to remain  
5 in their neighborhoods, consistent with safe and sound operations.

6 (6) Extensive use of innovative or flexible lending practices in  
7 a safe and sound manner to address the credit needs of low- and  
8 moderate-income members or geographies.

9 (7) There is no evidence of loans that show an undue  
10 concentration and a systematic pattern of lending resulting in the  
11 loss of affordable housing units.

12 (8) An excellent record relative to fair lending policies and  
13 practices.

14 (b) The commissioner shall rate a credit union's lending  
15 performance "high satisfactory" if, in general, it demonstrates:

16 (1) Good responsiveness to credit needs in its assessment areas,  
17 taking into account the number and amount of home mortgage, and  
18 consumer loans, if applicable, in its assessment areas.

19 (2) A high percentage of its loans are made in its assessment  
20 areas.

21 (3) A good geographic distribution of loans in its assessment  
22 areas, provided however, a geographic analysis is relevant in the  
23 context of the credit union's membership by-law provisions.

24 (4) A good distribution, particularly in its assessment areas, of  
25 loans among members of different income levels, given the  
26 product lines offered by the credit union;

27 (5) A good record of serving the credit needs of highly  
28 economically disadvantaged areas in its assessment areas, and  
29 low-income members, including loans and other efforts to assist  
30 existing low- and moderate-income members to be able to remain  
31 in their neighborhoods, consistent with safe and sound operations;

32 (6) Use of innovative or flexible lending practices in a safe and  
33 sound manner to address the credit needs of low- and  
34 moderate-income members or geographies.

35 (7) There is no evidence of loans that show an undue  
36 concentration and a systematic pattern of lending resulting in the  
37 loss of affordable housing units.

38 (8) A good record relative to fair lending policies and practices.

39 (c) The commissioner shall rate a credit union's lending  
40 performance "satisfactory" if, in general, it demonstrates:



1 (1) Adequate responsiveness to credit needs in its assessment  
2 areas, taking into account the number and amount of home  
3 mortgage, and consumer loans, if applicable, in its assessment  
4 areas.

5 (2) An adequate percentage of its loans are made in its  
6 assessment areas.

7 (3) An adequate geographic distribution of loans in its  
8 assessment areas, provided however, a geographic analysis is  
9 relevant in the context of the credit union's membership by-law  
10 provisions.

11 (4) An adequate distribution, particularly in its assessment  
12 areas, of loans among members of different income levels, given  
13 the product lines offered by the credit union;

14 (5) An adequate record of serving the credit needs of highly  
15 economically disadvantaged areas in its assessment areas, and  
16 low-income members, including loans and other efforts to assist  
17 existing low- and moderate-income members to be able to remain  
18 in their neighborhoods, consistent with safe and sound operations.

19 (6) Limited use of innovative or flexible lending practices in a  
20 safe and sound manner to address the credit needs of low- and  
21 moderate-income members or geographies.

22 (7) There is no evidence of loans that show an undue  
23 concentration and a systematic pattern of lending resulting in the  
24 loss of affordable housing units.

25 (8) An adequate record relative to fair lending policies and  
26 practices.

27 (d) The commissioner shall rate a credit union's lending  
28 performance "needs to improve" if, in general, it demonstrates:

29 (1) Poor responsiveness to credit needs in its assessment areas,  
30 taking into account the number and amount of home mortgage, and  
31 consumer loans, if applicable, in its assessment areas.

32 (2) A small percentage of its loans are made in its assessment  
33 areas.

34 (3) A poor geographic distribution of loans, particularly to  
35 low- and moderate-income geographies, in its assessment areas,  
36 provided however, a geographic analysis is relevant in the context  
37 of the credit union's membership by-law provisions.

38 (4) A poor distribution, particularly in its assessment areas, of  
39 loans among members of different income levels, given the  
40 product lines offered by the credit union.

1 (5) A poor record of serving the credit needs of highly  
2 economically disadvantaged areas in its assessment areas, and  
3 low-income members, including loans and other efforts to assist  
4 existing low- and moderate-income members to be able to remain  
5 in their neighborhoods, consistent with safe and sound operations.

6 (6) Little use of innovative or flexible lending practices in a  
7 safe and sound manner to address the credit needs of low- and  
8 moderate-income members or geographies;

9 (7) There is possible evidence of loans that show an undue  
10 concentration and a systematic pattern of lending resulting in the  
11 loss of affordable housing units; and

12 (8) A poor record relative to fair lending policies and practices.

13 (e) The commissioner shall rate a credit union's lending  
14 performance as being in "substantial noncompliance" if, in  
15 general, it demonstrates:

16 (1) A very poor responsiveness to credit needs in its assessment  
17 areas, taking into account the number and amount of home  
18 mortgage, and consumer loans, if applicable, in its assessment  
19 areas.

20 (2) A very small percentage of its loans are made in its  
21 assessment areas.

22 (3) A very poor geographic distribution of loans, particularly  
23 to low- and moderate-income geographies, in its assessment areas,  
24 provided however, a geographic analysis is relevant in the context  
25 of the credit union's membership by-law provisions.

26 (4) A very poor distribution, particularly in its assessment  
27 areas, of loans among members of different income levels, given  
28 the product lines offered by the credit union.

29 (5) A very poor record of serving the credit needs of highly  
30 economically disadvantaged areas in its assessment areas, and  
31 low-income members, including loans and other efforts to assist  
32 existing low- and moderate-income members to be able to remain  
33 in their neighborhoods, consistent with safe and sound operations.

34 (6) No use of innovative or flexible lending practices in a safe  
35 and sound manner to address the credit needs of low- and  
36 moderate-income members or geographies.

37 (7) Origination of loans that show an undue concentration and  
38 a systematic pattern of lending resulting in the loss of affordable  
39 housing units.

1 (8) A very poor record relative to fair lending policies and  
2 practices.

3 60048. The commissioner shall assign each credit union's  
4 service performance one of the five following ratings:

5 (a) The commissioner shall rate a credit union's service  
6 performance "outstanding" if, in general, the credit union  
7 demonstrates:

8 (1) Its service delivery systems are readily accessible to  
9 members and geographies of different income levels in its  
10 assessment areas.

11 (2) To the extent changes have been made, its record of opening  
12 and closing branches has improved the accessibility of its delivery  
13 systems, particularly to low- and moderate-income members or in  
14 low- and moderate-income geographies.

15 (3) Its services, including, where appropriate, business hours,  
16 are tailored to the convenience and needs of its assessment areas,  
17 particularly low- and moderate-income members or in low- and  
18 moderate-income geographies.

19 (4) It is a leader in providing community development services.

20 (b) The commissioner shall rate a credit union's service  
21 performance "high satisfactory" if, in general, the credit union  
22 demonstrates:

23 (1) Its service delivery systems are accessible to members and  
24 geographies of different income levels in its assessment areas.

25 (2) To the extent changes have been made, its record of opening  
26 and closing branches has not adversely affected the accessibility  
27 of its delivery systems, particularly to low- and moderate-income  
28 members and in low- and moderate-income geographies.

29 (3) Its services, including, where appropriate, business hours,  
30 do not vary in a way that inconveniences its assessment areas,  
31 particularly low- and moderate-income members and low- and  
32 moderate-income geographies; and

33 (4) It provides a relatively high level of community  
34 development services.

35 (c) The commissioner shall rate a credit union's service  
36 performance "satisfactory" if, in general, the credit union  
37 demonstrates:

38 (1) Its service delivery systems are reasonably accessible to  
39 members and geographies of different income levels in its  
40 assessment areas.

(2) To the extent changes have been made, its record of opening and closing branches has generally not adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income members and in low- and moderate-income geographies.

(3) Its services, including, where appropriate, business hours, do not vary in a way that inconveniences its assessment areas, particularly low- and moderate-income members and low- and moderate-income geographies.

(4) It provides an adequate level of community development services.

(d) The commissioner shall rate a credit union's service performance "needs to improve" if, in general, the credit union demonstrates:

(1) Its service delivery systems are unreasonably inaccessible to portions of its assessment areas, particularly to low- and moderate-income members or to low- and moderate-income geographies.

(2) To the extent changes have been made, its record of opening and closing branches has adversely affected the accessibility its delivery systems, particularly to low- and moderate-income members or in low- and moderate-income geographies.

(3) Its services, including, where appropriate, business hours, vary in a way that inconveniences its assessment areas, particularly low- and moderate-income members or low- and moderate-income geographies.

(4) It provides a limited level of community development services.

(e) The commissioner shall rate a credit union's service performance as being in "substantial noncompliance" if, in general, the credit union demonstrates:

(1) Its service delivery systems are unreasonably inaccessible to significant portions of its assessment areas, particularly to low- and moderate-income members or to low- and moderate-income geographies.

(2) To the extent changes have been made, its record of opening and closing branches has significantly adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income members or in low- and moderate-income geographies.

(3) Its services, including, where appropriate, business hours, vary in a way that significantly inconveniences its assessment areas, particularly low- and moderate-income members or low- and moderate-income geographies.

(4) It provides few, if any, community development services.

60049. (a) A credit union that achieves at least a “satisfactory” rating under the lending and service tests may warrant consideration for an overall rating of “high satisfactory” or “outstanding.” In assessing whether a credit union’s performance is “high satisfactory” or “outstanding,” the commissioner shall also consider the credit union’s performance in making qualified investments and community development loans to the extent authorized under law.

(b) The commissioner shall develop, by written policy or directive, a matrix system which sets forth the methodology for aggregating an institution’s scores on the lending, service, and investment tests to arrive at an assigned rating.

#### CHAPTER 4. COMMUNITY REINVESTMENT NOTICE

60050. The following notice shall be used for main offices of an institution:

#### “CALIFORNIA COMMUNITY REINVESTMENT ACT NOTICE

Under the California Community Reinvestment Act (CCRA), the Commissioner of Financial Institutions evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The commissioner also takes this record into account when deciding on certain applications submitted by us.

Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CCRA, including, for example, information about our branches, such as their location and services provided at them; the public section of our most recent CCRA Performance Evaluation, prepared by the commissioner; and comments received from the public relating to our performance in helping to meet community credit needs, as well as our responses to those comments. You may review this information today.

1 At least 30 days before the beginning of each quarter, the  
2 commissioner publishes a list of the institutions that are scheduled  
3 for CCRA examination by the Commissioner in that quarter. This  
4 list is available from the commissioner. You may send written  
5 comments about our performance in helping to meet community  
6 credit needs to the commissioner. Your letter, together with any  
7 response by us, will be considered by the commissioner in  
8 evaluating our CCRA performance and may be made public.  
9 You may ask to look at any comments received by the  
10 commissioner. You may also request from the commissioner an  
11 announcement of our applications covered by the CCRA filed with  
12 the commissioner. We are an affiliate of (name of holding  
13 company), a bank holding company. You may request from (title  
14 of responsible official), Federal Reserve Bank of \_\_\_\_\_  
15 (address) an announcement of applications covered by the CCRA  
16 filed by bank holding companies.”

17  
18 60051. The following notice shall be used for branch offices  
19 of an institution:

20 “CALIFORNIA COMMUNITY REINVESTMENT ACT  
21 NOTICE

22 Under the California Community Reinvestment Act (CCRA), the  
23 Commissioner of Financial Institutions evaluates our record of  
24 helping to meet the credit needs of this community consistent with  
25 safe and sound operations. The commissioner also takes this  
26 record into account when deciding on certain applications  
27 submitted by us.

28 Your involvement is encouraged.

29 You are entitled to certain information about our operations and  
30 our performance under the CCRA. You may review today the  
31 public section of our most recent CRA evaluation, prepared by  
32 commissioner, and a list of services provided at this branch. You  
33 may also have access to the following additional information,  
34 which we will make available to you at this branch within five  
35 calendar days after you make a request to us: (1) a map showing  
36 the assessment area containing this branch, which is the area in  
37 which the commissioner evaluates our CCRA performance in this  
38 community; (2) information about our branches in this assessment  
39 area; (3) a list of services we provide at those locations; (4) data  
40 on our lending performance in this assessment area; and (5) copies



1 of all written comments received by us that specifically relate to  
2 our CCRA performance in this assessment area, and any responses  
3 we have made to those comments. If we are operating under an  
4 approved strategic plan, you may also have access to a copy of the  
5 plan.

6 [If you would like to review information about our CCRA  
7 performance in other communities served by us, the public file for  
8 our entire institution is available at (name of office located in  
9 state), located at (address).]

10 At least 30 days before the beginning of each quarter, the  
11 commissioner publishes a list of the institutions that are scheduled  
12 for CCRA examination by the commissioner in that quarter. This  
13 list is available from the commissioner. You may send written  
14 comments about our performance in helping to meet community  
15 credit needs to the commissioner. Your letter, together with any  
16 response by us, will be considered by the commissioner in  
17 evaluating our CCRA performance and may be made public.

18 You may ask to look at any comments received by the  
19 commissioner. You may also request from the commissioner an  
20 announcement of our applications covered by the CCRA filed with  
21 the commissioner. We are an affiliate of (name of holding  
22 company), a bank holding company. You may request from (title  
23 of responsible official), Federal Reserve Bank of \_\_\_\_\_  
24 (address) an announcement of applications covered by the CCRA  
25 filed by bank holding companies.“

26  
27 60052. Notwithstanding the requirements of this division, the  
28 information and disclosures required under the CCRA Notice may  
29 be combined with or as an alternative, attached to in the form of  
30 an addendum, the information and disclosures required under the  
31 Federal Community Reinvestment Act (12 USC 2901 et seq.), or  
32 any regulations thereunder.

